

Message Text

UNCLASSIFIED

PAGE 01 STATE 059804

64

ORIGIN XMB-04

INFO OCT-01 EUR-12 ISO-00 EB-07 AID-05 CIAE-00 COME-00

FRB-01 INR-07 NSAE-00 TRSE-00 OPIC-06 SP-02 CIEP-02

LAB-04 SIL-01 OMB-01 PA-02 PRS-01 USIA-15 /071 R

DRAFTED BY XMB AMOHANIAN/RLS

APPROVED BY EB/OCA/REP: LAKLIEFORTH

XMB WARRENT W GLICK, ACTING EXEC VICE PRES

EB/IFD/ODF:RASWART

EUR/CAN:DHOLTON(INFO)

----- 095066

R 172258Z MAR 75

FM SECSTATE WASHDC

TO AMCONSUL ST JOHNS

INFO AMEMBASSY OTTAWA

UNCLAS STATE 059804

E.O. 11652: NA

TAGS: APUB, CA

SUBJ: PRESS RELEASE ON EXIMBANK CREDIT TO CANADA.

FOR YOUR INFORMATION ONLY, FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT BANK RELEASE ON THE DIRECT CREDIT OF \$2,362,500 TO EASTERN PROVINCIAL AIRWAYS LIMITED (EPA), OF GRANDER, NEWFOUNLAND. RELEASE IS SCHEDULED FOR ANNOUNCEMENT HERE IN WASHINGTON, D.C. FOR A.M PAPERS, TUESDAY APRIL 1, 1975.

QUOTE: EXIMBANK CREDIT OF \$2,362,500 SUPPORTS \$6,750,000 SALE OF U.S. JET AIRCRAFT TO CANADIAN AIRLINE

TO HELP FINANCE A \$6,750,000 SALE OF ONE BOEING 737-200 AIR-CRAFT PLUS RELATED SPARE PARTS AND GROUND SUPPORT EQUIPMENT TO A CANADIAN AIRLINE, THE BOARD OF DIRECTORS OF THE EXPORT-IMPORT BANK OF THE UNITED STATES HAS AUTHORIZED A DIRECT CREDIT OF \$2,362,500 TO FINANCE 35 PERCENT OF THE TOTAL U.S. COSTS, ACCORDING TO EXIMBANK'S CHAIRMAN WILLIAM J. CASEY. A CREDIT OF \$3,712,500 FROM
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 059804

PRIVATE SOURCES NOT YET DESIGNATED WILL FINANCE 55 PERCENT OF THE TOT

AL

U.S. COSTS. THE OBLIGOR, EASTERN PROVINCIAL AIRWAYS LIMITED (EPA), OF GANDER, NEWFOUNDLAND, WILL MAKE CASH PAYMENT OF THE BALANCE OF THE U. S. COSTS OF 10 PERCENT OR \$675,000. EPA IS A LOCAL CARRIER SERVING CANADA'S ATLANTIC PROVINCES.

THE BOEING COMPANY OF SEATTLE, WASHINGTON, WILL MAKE DELIVERY OF THE AIRCRAFT IN NOVEMBER 1975. THE AIRCRAFT WILL REPRESENT THE SEVENTH 737-200 AIRCRAFT IN EPA'S FLEET.

THE LOANS ARE TO BE REPAID IN 20 SEMIANNUAL INSTALLMENTS BEGINNING MAY 10, 1976. EXIMBANK'S DIRECT CREDIT OF \$2,363,500 WILL BE REPAID OUT OF THE LAST 8 INSTALLMENTS AT AN INTEREST RATE OF 8 PERCENT ANNUM, WHICH WHEN BLENDED WITH THE PORTION OF THE CREDIT FROM PRIVATE SOURCES RESULTS IN AN ESTIMATED INTEREST COST TO THE BORROWER, BASED ON CURRENT RATES, OF ABOUT 9.63 PERCENT TO 9II PER CENT PER ANNUM. REPAYMENT OF EXIMBANK'S CREDIT IS TO BE GUARANTEED BY THE MERCANTILE BANK OF CANADA UNQUOTE ROBINSON

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 17 MAR 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Authority: n/a
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01 JAN 1960
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975STATE059804
Document Source: CORE
Document Unique ID: 00
Drafter: RLS
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D750093-0734
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750343/aaaabmkt.tel
Line Count: 80
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN XMB
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: hartledg
Review Comment: n/a
Review Content Flags:
Review Date: 20 JUN 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <20 JUN 2003 by BrownAM>; APPROVED <19 FEB 2004 by hartledg>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
05 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PRESS RELEASE ON EXIMBANK CREDIT TO CANADA. FOR YOUR INFORMATION ONLY, FOLLOWING IS FINAL TEXT OF EXPORT-IMPORT
TAGS: APUB, CA
To: ST JOHNS, NEWFOUNDLAND
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006